



**STATEMENT OF
FINANCIAL POSITION**
October 31, 2023
(UNAUDITED)



**SANTA CLARA COUNTY FAIRGROUNDS MANAGEMENT
CORPORATION (SCCFMC)
FINANCIAL HIGHLIGHTS
YEAR TO DATE AS OF OCTOBER 31, 2023**

Statement of Activities

Actual revenues, year-to-date as of October 31, 2023, total \$7,655,866 or \$ 2,619,337 less than budget. The adopted budget for Property Management revenue included six acres to license to potential licensees. To date, these acres remain vacant, therefore, resulting in a shortfall of projected anchor licensee revenue. The unfavorable variance of approximately \$618,000 in Hosted Events revenue is the result of SCCFMC unable to host several key events including Cinco de Mayo, Hop N' Vine, Puptober Fest and the 4th of July celebration during the first six months of the year since the County continued to use the Fairgrounds for ongoing COVID vaccinations and testing. The shortfall in Fair revenue resulted from the unavailability of the Arena for concerts since the facility requires major upgrades and improvements.

The \$1,199,470 in Venue Sales & Event Services includes revenue generated from the Bay Area Tamil Manram, SCV Gem Show, South Bay Islamic, Jurassic Quest, Foodieland Night Market, Hot Production, Open World, SSA Veterans and Santa Clara Dog Training. The 2023 County Fair held from July 26, 2023 through August 6, 2023 generated \$1,696,833 in revenue, primarily from admissions, parking, beverage sales and sponsorships. The financials include \$784,748 in recognized revenue as a reimbursement from the County of Santa Clara for expenses incurred year to date as of October 31, 2023. The \$295,321 in Exceptional Other Income resulted from the Employee Retention Tax Credit, which is a refundable tax credit available to businesses and tax-exempt organization.

Expenses year to date total \$8,818,065 or \$ 1,113,297 less than budget. Management is currently reviewing all expenditures to align with forecasted revenues through the balance of 2023. SCCFMC has incurred extraordinary expenses for security services, janitorial services, and utilities in connection with managing the Fairgrounds and remaining RV Park users. The top five expenditures year-to-date are salaries & benefits, security & sheriff, utilities, repair & maintenance, and entertainment.

In summary, SCCFMC has a loss of (\$1,162,199) compared to the budgeted Net Income of \$343,841 resulting in an unfavorable variance of (\$1,506,040) year to date.

Balance Sheet

SCCFMC's total cash balance as of October 31, 2023, is \$2,097,152 compared with the prior year's (2022) cash balance total of \$4,766,884. SCCFMC's current ratio is 4.04 for October 2023 compared to 6.41 in October 2022 which reflects SCCFMC's ability to pay its current liabilities.

**SANTA CLARA COUNTY FAIRGROUNDS MANAGEMENT
CORPORATION (SCCFMC)
FINANCIAL HIGHLIGHTS
YEAR TO DATE AS OF OCTOBER 31, 2023
(continued)**

Supplemental Schedules for 2023

Anchor License Agreements – October 2023: Summarizes the status of Anchor License Agreements totaling \$198,489.62 in revenue.

Events through April 2024:

Summarizes event sales activity as of October 31, 2023. Includes name of event, event date(s), location, estimated number of patrons and event type. Schedule also includes Hosted Events planned for 2023 and 2024. All events are tentatively scheduled and subject to change or cancellation.

SANTA CLARA COUNTY FAIRGROUNDS MANAGEMENT CORP
STATEMENT OF ACTIVITIES
Year to date as of October 31, 2023
(UNAUDITED)
Actual vs Budget

	2023		
	Actual	Budget	Variance
Support and revenue			
Property Management *	\$ 2,037,291	\$ 2,416,667	\$ (379,376)
Off-Track Betting	1,079,308	1,160,205	(80,897)
Food & Beverages	559,525	526,646	32,880
Venue Sales & Event Services	1,199,470	1,393,853	(194,383)
County Fair	1,696,833	3,225,000	(1,528,167)
Hosted Events	3,075	620,833	(617,758)
General and Administrative	785,043	932,000	(146,958)
Total support & revenue	<u>\$ 7,360,546</u>	<u>\$ 10,275,203</u>	<u>\$ (2,914,658)</u>
Expenses			
Program Services	\$ 5,775,420	\$ 6,448,176	\$ 672,756
Facilities	1,413,143	826,095	(587,048)
General & Administrative	1,629,503	2,657,091	1,027,588
Total expenses	<u>\$ 8,818,065</u>	<u>\$ 9,931,362</u>	<u>\$ 1,113,297</u>
Change in unrestricted net assets before exceptional other income	(1,457,519)	343,841	(1,801,360)
Exceptional other income **	<u>295,321</u>	<u>0</u>	<u>295,321</u>
Change in unrestricted net assets	\$ (1,162,199)	\$ 343,841	\$ (1,506,040)
Unrestricted net assets, January 1	<u>6,546,788</u>	<u>6,546,788</u>	<u>0</u>
Unrestricted net assets, October 31	<u>\$ 5,384,589</u>	<u>\$ 6,890,629</u>	<u>\$ (1,506,040)</u>

* Includes both Anchor Licensees and RV Park guests

** Received Employee Retention Credit

SANTA CLARA COUNTY FAIRGROUNDS MANAGEMENT CORP
STATEMENT OF ACTIVITIES
(UNAUDITED)
Year to date as of October 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Support and revenue		
Property Management *	\$ 2,037,291	\$ 2,725,950
Off-Track Betting	1,079,308	1,066,385
Food & Beverages	559,525	180,801
Venue Sales & Event Services	1,199,470	107,300
County Fair	1,696,833	92,862
Hosted Events	3,075	0
General and Administrative	785,043	3,015,572
Total support & revenue	<u>\$ 7,360,546</u>	<u>\$ 7,188,869</u>
Expenses		
Program Services	\$ 5,775,420	\$ 3,355,776
Facilities	1,413,143	882,161
General & Administrative	1,629,503	1,974,851
Total expenses	<u>\$ 8,818,065</u>	<u>\$ 6,212,788</u>
Change in unrestricted net assets before exceptional other income	(1,457,519)	976,081
Exceptional other income **	<u>295,321</u>	<u>669,772</u>
Change in unrestricted net assets	\$ (1,162,199)	\$ 1,645,853
Unrestricted net assets, January 1	<u>6,546,788</u>	<u>5,241,066</u>
Unrestricted net assets, October 31	<u>\$ 5,384,589</u>	<u>\$ 6,886,920</u>

* Includes both Anchor Licensees and RV Park guests

** Received Employee Retention Credit

SANTA CLARA COUNTY FAIRGROUNDS MANAGEMENT CORPORATION
SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENSES
(UNAUDITED)

Year to date as of October 31, 2023

	Program Services										
	OFF Track Betting	Property Management	Venue Sales & Event Svc.	Food & Beverages	Bingo	Hosted Events	County Fair	Total Program Services	Facility	General & Administrative	Total
Support and Revenue	\$ 1,079,308	\$ 2,037,291	\$ 1,199,470	\$ 559,525	\$ -	\$ 3,075	\$ 1,696,833	\$ 6,575,503	\$ -	\$ 1,080,363	\$ 7,655,866
Cost of Sales:											
Labor	-		84,273	89,127			32,964	206,364		75,983	282,346
Racing Forms	52,968							52,968			52,968
Parking			151,481				28,322	179,803			179,803
Entertainment	2,700						791,244	793,944			793,944
Equipment Rental						169,001		169,001			169,001
Food & Beverages				109,132			17,436	126,568			126,568
Sponsorship-Exchange											-
Sub-Contractor			36,973					36,973			36,973
Commission							1,715	1,715			1,715
Awards and Trophies											-
Ticketing Services							11,094	11,094			11,094
Judges							8,998	8,998			8,998
Lottery	5,686							5,686			5,686
Total Cost of Sales	61,354	-	272,727	198,259	-	169,001	891,772	1,593,113	-	75,983	1,669,095
Direct Expenses:											
Payroll and employee benefits	32,963	-	-	104,978		-	-	137,941	74,542	-	212,483
Facility	-	739,818	-	-		-	-	739,818	-	-	739,818
Repairs and maintenance	-	-	5,148	2,022		6,930	-	14,100	674,329	-	688,428
Security and sheriff	104,437	1,109,689	80,383	-		10,603	141,939	1,447,051	-	-	1,447,051
Depreciation	-	-	-	-		-	-	-	139,728	-	139,728
Other	124,669	1,048	24,707	34,793	-	9,075	69,383	263,674	282,313	186,852	732,839
Reimbursed expenses	-	-	-	-	-	-	-	-	-	-	-
Total Direct Expenses	262,069	1,850,555	110,238	141,792	-	26,608	211,322	2,602,584	1,170,912	186,852	3,960,348
Gross Profit (Loss)	755,885	186,736	816,505	219,474	-	(192,534)	593,740	2,379,806	(1,170,912)	817,528	2,026,423
General and Administrative Expenses:											
Labor and benefits	311,876	67,844	61,631	-	-	25,900	202,197	669,448	-	828,539	1,497,987
Professional Services	-	-	-	-	-	-	-	-	-	237,115	237,115
Marketing	45,875	-	4,887	-	-	161,742	249,935	462,439	-	26,832	489,270
Insurance	-	138,573	-	-	-	-	-	138,573	-	5,320	143,893
Depreciation	-	-	-	-	-	-	-	-	651	-	651
Deferred Costs	-	-	-	-	-	-	-	-	-	-	-
Other	35,947	94,640	23,438	15,166	-	8,127	131,946	309,263	241,580	268,862	819,706
Total General and Administrative Expenses	393,698	301,057	89,956	15,166	-	195,768	584,077	1,579,723	242,231	1,366,668	3,188,622
Change in Unrestricted Net Assets (Deficit)	\$ 362,187	\$ (114,321)	\$ 726,549	\$ 204,308	\$ -	\$ (388,302)	\$ 9,663	\$ 800,084	\$ (1,413,143)	\$ (549,140)	\$ (1,162,199)

SANTA CLARA COUNTY FAIRGROUNDS MANAGEMENT CORPORATION
SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENSES
(UNAUDITED)

Year to date as of October 31, 2022

	Program Services										
	OFF Track Betting	Property Management	Venue Sales & Event Svc.	Food & Beverages	Bingo	Hosted Events	County Fair	Total Program Services	Facility	General & Administrative	Total
Support and Revenue	\$ 1,066,385	\$ 2,725,950	\$ 107,300	\$ 180,801	\$ -	\$ -	\$ 92,862	\$ 4,173,297	\$ -	\$ 3,685,344	\$ 7,858,641
Cost of Sales:											
Labor	25,677		1,140	50,364			1,860	79,041		496,507	575,548
Racing Forms	55,552							55,552			55,552
Parking								-			-
Entertainment								-			-
Equipment Rental						36,850	1,055	37,905		-	37,905
Food & Beverages				34,373				34,373			34,373
Sponsorship-Exchange											-
Awards and Trophies											-
Ticketing Services											-
Judges							7,707	7,707			7,707
Lottery	4,995							4,995			4,995
Total Cost of Sales	86,223	-	5,140	84,737	-	36,850	10,622	223,573	-	496,507	720,080
Direct Expenses:											
Payroll and employee benefits	38,283	-	-	90,635				128,917	29,997	-	158,914
Facility	-	839,284	-	-				839,284	-	-	839,284
Repairs and maintenance	-	-	5,363	-		5,822	43,507	54,692	375,351	-	430,043
Security and sheriff	85,074	949,997	31,978	-		7,434	12,921	1,087,404	-	-	1,087,404
Depreciation	-	-	-	-				-	147,041	-	147,041
Other	82,214	5,229	3,828	5,133	-	42,986	50,502	189,892	180,178	104,659	474,729
Reimbursed expenses	-	(2,216)	-	-	-			(2,216)	-	-	(2,216)
Total Direct Expenses	205,570	1,792,294	41,170	95,767	-	56,242	106,930	2,297,973	732,567	104,659	3,135,199
Gross Profit (Loss)	774,591	933,655	60,990	296	-	(93,092)	(24,690)	1,651,751	(732,567)	3,084,179	4,003,363
General and Administrative Expenses:											
Labor and benefits	252,111	141,914	56,586	-	-	28,875	-	479,487	-	872,164	1,351,650
Professional Services	-	-	-	-	-		600	600	-	235,344	235,944
Marketing	13,372	-	-	-	-	29,253	24,282	66,906	-	49,887	116,793
Insurance	-	124,612	-	-	-			124,612	-	5,258	129,870
Depreciation	-	-	-	-	-			-	136,365	-	136,365
Deferred Costs	-	-	-	-	-			-	-	-	-
Other	35,262	74,242	4,024	3,295	-	13,824	31,977	162,625	13,229	211,033	386,887
Total General and Administrative Expenses	300,746	340,769	60,610	3,295	-	71,951	56,859	834,229	149,595	1,373,686	2,357,509
Change in Unrestricted Net Assets (Deficit)	\$ 473,846	\$ 592,887	\$ 380	\$ (2,999)	\$ -	\$ (165,044)	\$ (81,549)	\$ 817,521	\$ (882,161)	\$ 1,710,493	\$ 1,645,853

SANTA CLARA COUNTY FAIRGROUNDS MANAGEMENT CORP
STATEMENT OF FUNCTIONAL EXPENSES
(UNAUDITED)
Year to date as of October 31, 2023

	PROGRAM SERVICES	FACILITIES	MANAGEMENT AND GENERAL	TOTAL
Salaries & Benefits	\$ 835,943	\$ 68,760	\$ 821,292	\$ 1,725,994
Depreciation and amortization	-	350,785	0	350,785
Utilities	817,651	6,603	24,508	848,762
Security & Sheriff	1,447,051	547	123,414	1,571,012
Professional Services	261	-	188,461	188,722
Supplies	67,584	85,870	58,805	212,260
Outside Services	273,636	-	152,220	425,856
Repair & Maintenance	156,133	674,329	32,881	863,343
Equipment Rental	93,792	194,531	14,678	303,000
Insurance	138,573	8,928	5,320	152,821
Marketing	462,321	-	66,662	528,983
Other	113,907	16,391	97,142	227,441
Payroll taxes	30,954	5,782	37,250	73,986
Racing Forms	52,968	-	0	52,968
Entertainment	962,945	-	0	962,945
Food & Beverage Cost	126,568	-	0	126,568
Fees & Licenses	12,691	616	(140)	13,167
Bingo Payouts	-	-	0	0
Parking	179,803	-	0	179,803
Bingo Supplies	-	-	0	0
Commissions	-	-	0	0
Miscellaneous	2,639	-	7,010	9,650
Total Functional Expenses	<u>\$ 5,775,420</u>	<u>\$ 1,413,143</u>	<u>\$ 1,629,503</u>	<u>\$ 8,818,065</u>

SANTA CLARA COUNTY FAIRGROUNDS MANAGEMENT CORP
STATEMENT OF FINANCIAL POSITION
(UNAUDITED)
Year to date as of October 31, 2023 and 2022

ASSETS	2023	2022
Current Assets		
Cash and cash equivalent	\$ 2,097,152	\$ 4,766,884
Accounts Receivable	823,123	1,166,395
Other Current Assets	444,590	251,433
Total current assets	\$ 3,364,865	\$ 6,184,712
Property and Equipment, net	3,306,067	2,211,591
Total assets	\$ 6,670,931	\$ 8,396,303
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable	\$ 128,021	\$ 248,588
Wells Fargo Business Elite	10,450	17,454
Accrued liabilities	480,931	412,894
Deferred revenue, nonmonetary exchange, current	3,000	3,000
Customer deposits	208,707	282,841
Total current liabilities	\$ 831,110	\$ 964,777
Long term liabilities		
Deferred revenue, nonmonetary exchange, net of current portion	\$ 230,656	\$ 230,656
Equipment Loan #1	41,838	0
Equipment Loan #2	43,880	0
Restricted Fund	0	171,000
Economic Injury Disaster Loan(EIDL)	138,858	142,949
Total long-term liabilities	455,233	544,605
Total liabilities	\$ 1,286,343	\$ 1,509,382
Unrestricted net assets	\$ 5,384,589	\$ 6,886,920
Total liabilities and net assets	\$ 6,670,931	\$ 8,396,303

SANTA CLARA COUNTY FAIRGROUNDS MANAGEMENT CORP
STATEMENT OF CASH FLOWS
(UNAUDITED)
Year to date as of October 31, 2023 and 2022

	2023	2022
Cash flows from operating activities		
Change in net assets	\$ (1,162,199)	\$ 1,645,853
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation expenses	350,785	283,406
Change in operating assets and liabilities		
Accounts Receivable, net	540,149	1,195,018
Prepaid Expenses	(273,648)	(71,766)
Accounts payable	(184,956)	134,474
Accrued liabilities	120,635	(163,307)
Restricted Fund	(466,321)	171,000
Customer Deposits	19,866	76,825
Net cash provided by operating activities	(1,055,689)	3,271,503
Cash flows from financing activities:		
Repayment of loans payable	(7,051)	(6,467)
PPP Loan #2 Forgiveness	-	(669,772)
Equipment Loan #1	41,838	-
Equipment Loan #2	43,880	-
Net cash used in capital and related financing activities	78,668	(676,239)
Cash flows from investing activities:		
Acquisition of property and equipment	(782,084)	(265,481)
Net cash used in investing activities	(782,084)	(265,481)
Net change in cash and cash equivalents	(1,759,106)	2,329,783
Cash and cash equivalents, January 1	3,856,257	2,437,101
Cash and cash equivalents, October 31	\$ 2,097,151	\$ 4,766,884

SANTA CLARA COUNTY FAIRGROUNDS MGMT CORP.

LICENSEES AGREEMENTS - OCTOBER 2023

	<u>ACRES OCCUPIED</u>	<u>MONTHLY FEES</u>	<u>MONTHLY PER ACRES</u>
AT&T/CROWN CASTLE* #645	N/A	\$ 5,994.00	N/A
VYSH #620	0.2	\$ 1,442.00	\$ 7,210.00
88 LUMBER & HARDWARE #661	0.5	\$ 3,605.00	\$ 7,210.00
DATALINX COMMUNICATIONS, INC.#654	0.5	\$ 3,605.00	\$ 7,210.00
EVERGREEN WASTE SERVICES #642	0.5	\$ 3,605.00	\$ 7,210.00
FAIRGROUND ENTERPRISES #639	2.07	\$ 14,925.00	\$ 7,210.14
DGDG #650	1.5	\$ 10,815.00	\$ 7,210.00
GARDEN SUPPLY #641	3.25	\$ 23,433.00	\$ 7,210.15
GREEN BAY HAULING, LLC #649	0.5	\$ 3,605.00	\$ 7,210.00
JETMULCH #667	1	\$ 7,210.00	\$ 7,210.00
LE MANS KARTING #643	0.5	\$ -	\$ -
PACIFIC WEST BUILDERS INC. #646	13	\$ 72,797.70	\$ 7,210.00
RA RA TRUCKING #679	1	\$ 7,210.00	\$ 7,210.00
SC PAINTBALL #602	6	\$ 21,000.00	\$ 3,500.00
SPECTRASITE/AMERICAN TOWER* #638	N/A	\$ 1,998.20	N/A
SILICON VALLEY TELECOM INC #658	0.5	\$ 3,605.00	\$ 7,210.00
SOUTH BAY TELECOM #664	1	\$ 7,210.00	\$ 7,210.00
THE FENCE-4-RENT #662	0.25	\$ 1,803.00	\$ 7,212.00
TA CONCRETE CONSTRUCTION #666	0.5	\$ 3,605.00	\$ 7,210.00
T-MOBILE/CROWN CASTLE* #644	N/A	\$ 1,021.72	N/A
TOTAL	32.77	\$ 198,489.62	

* PHONE TOWER - EXECUTED CONTRACT BY SANTA CLARA COUNTY

	MARKET RATE
	UNDER MARKET RATE
	Suspended due to Application for County Permit
	Prorated - 5 acres for 13 days @\$15,117.70 & 8 acres at \$7,210.00/per month/per acre@ \$57,680.00.



Santa Clara County Fairgrounds Management Corporation (SCCFMC)

black = executed contract blue = contract in process green = hosted event canceled=red

as of Nov 6, 2023

Date (s)	Name of Event	Location	Est Patrons	Event Type
11/04/2023	Flash Back Tour	Expo Hall	2,000	Concert
11/07/2023-12/12/2023	Santa Clara Dog Training	Fiesta Hall Every Tuesday	100	Dog Training
11/08/2023	Resource Fair	Fiesta Hall	1,000	Job Fair
11/10/2023	High School Reunion	Heritage Hall	60	Reunion
11/18/2023	The Stampede Rabbit and Cavy Show	Fiesta Hall	500	Jackpot Show
11/22/2023	Rockumbiando Concert	Expo Hall & Outside Area	5,000	Concert
12/02/2023-12/03/2023	San Jose Toy Show	Expo Hall	3,000	Toy Show
12/08/2024	Maxar Space Systems	Expo Hall	1,300	Employee Event
12/09/2023-12/10/2023	Loving Cats Worldwide	Pavilion Hall	2,000	Cat Show
12/15/2023-12/16/2023	Valley Health Foundation	Fiesta Hall	200	Bike Assembly
12/15/2023-12/17/2023	Santa Clara County Fairgrounds Christmas Toy Giveaway	Pavilion and Expo Hall	3,000	Toy Giveaway
01/02/2024-05/21/2024	Santa Clara Dog Training	Fiesta Hall Every Tuesday	100	Dog Training
01/18/2024	Volunteer Appreciation	Heritage Hall	200	Post Fair Event
01/20/2024-01/21/2024	International Brazilian Jiu-Jitsu	Expo Hall	1,000	Jiu-Jitsu Competition
02/23/2024-02/25/2024	Train Show	Expo Hall	3,000	Trade Show
02/28/2024-03/07/2024	March Elections	Fiesta Hall	1,000	Elections0
02/29/2024-02/30/2024	Robotics	Pavilion Hall	2,000	Trade Show
03/02/2024-03/03/2024	San Jose Toy Show	Expo Hall	2,000	Trade Show
03/16/2024-03/17/2024	Gem Show	Pavilion Hall	3,000	Trade Show
03/16/2024	Concert	Expo Hall	5,000	Latin Concert

03/16/2024-03/17/2024	Gem Show	Pavilion Hall	3,000	Trade Show
04/13/2024	Hop 'N Vine 2024	Pavilion Hall, International Park & Plaza, Green Room, Hexagon	2,000	Tasting Event
04/21/2024-04/30/2024	RoboGames	Expo & Pavilion Hall	5,000	Competition
04/27/2024-04/28/2024	Cactus & Succulents Sale	Fiesta Hall	1,000	Sale

*All events are tentatively scheduled and subject to change or cancellation